
Elwood Union Free School District

2021-2022

Budget Workshop #2

Administrative & Capital Component
Tax Cap



Administrative Component

- Expenditures as they relate to the following:
 - Superintendent's Office (staffing/supplies/contracts)
 - Business Office (staffing/supplies/contracts)
 - Auditor Fees
 - Legal Fees
 - District Wide Insurance Policy
 - Curriculum Department (staffing/supplies/contracts)
 - Human Resources (staffing/supplies/contracts)



Administrative Component Budget

- Major factors
 - Employee Retirement (increased)
 - Teachers Retirement rate (increased)
 - Health insurance premium (increased)
- Contractual/Supply adjustments provided based on four-year spending trend
 - Supply expense budget remains flat due to continued utilization of BOCES and New York State contracts, along with Ed-Data Bidding Service.
- Initial projection is for staffing structure to remain consistent with 2020-2021 school year



Capital Component

- Expenditures as they relate to the following but not limited to:
 - Utilities
 - District-wide repairs
 - Buildings & Grounds salaries and benefits
 - Custodial salaries and benefits
 - Equipment and machinery replacement
 - Principal and interest on TANs, Bonds and EPC



Capital Component Budget

- Unpredictable expenses affecting the Capital Component
 - Fuel costs
 - Snow removal
- Utilities budget will start to decrease as the EPC work is implemented. This will help offset the EPC premium and interest payments.
- Major Factor for 21/22 and 22/23 will be borrowing the balance of the Capital Bond monies to pay for the remaining projects in Phase III and Phase IV. This balance is approximately \$17 million dollars and will cover expenses for the remaining projects that are projected to be completed between now and the Summer of 2022.



Year End 2021

- Current challenge exists with rising technology costs.
- Expense spending has been stopped as of January 4th to allow for savings within the expenditure lines. Exceptions to this rule include buildings & grounds and athletics.
- Goal is to fully fund Undesignated Reserve.
(4% maximum allowed)
- We will also fund our reserves to appropriate levels with any additional savings in expenditures.



2021-2022 Budget Goals

- Maintain all programs K-12
 - Continue enhancement for Student Wellness, PPS, Mental Health Support & Equity
 - Continue growth of literacy initiatives and digital instructional methods in partnership with Teachers College Reading and Writing Project (K-8); academic vocabulary, phonics and handwriting
 - Continued support for our AIS and ENL populations, with emphasis on equity and home-school communication
 - Increase course selection with a focus on social emotional literacy, equity and diversity
 - Continue expansion of technology initiatives to assist with digital and hardware resources for the instructional program
 - Create flexibility within the instructional program to properly address impact of COVID-19
- Maintain fiscal health of district
 - Continue achieving a “No Fiscal Stress” designation from Comptroller
 - Continue to fund reserves to appropriate levels



Tax Levy

- Tax Levy Cap is established based on the formula from the NYS Office of Comptroller
- Exemptions to the levy calculation include:
 - Capital expenditures (debt) net of building aid
 - Increase in retirement contributions (ERS & TRS) greater than 2%
- Tax levy cap is not 2%; The Allowable Growth Factor in the formula is capped at CPI or 2% (whichever is less). This year, the allowable growth factor is 1.23% (a reduction of .58 from last year)



Elwood's Allowable Tax Levy Cap

2020-2021 Tax Levy	\$ 48,475,302.00
x Tax Base growth factor	\$ 1.012
	\$ 49,057,005.63
+ PILOT 2020-2021	\$ 323,511.60
	\$ 49,380,517.23
- Prior Year Exemptions (Debt Service)	3,156,708.5000
Adjusted Prior Year Tax Levy	\$ 46,223,808.73
x Allowable Growth Factor	\$ 1.0123
	\$ 46,792,361.57
- PILOT for 2021-2022	\$ 368,096.40
	\$ 46,424,265.17
+ Prior Year Carry-over	
Total Levy Limit	\$ 46,424,265.17
+ 2021-2022 Exemptions	
ERS	\$ -
TRS	\$ -
Capital Exclusions	\$ 3,203,422.00
Tax Levy Limit Plus Exclusions	\$ 49,627,687.17
Tax Levy Increase for 2021-2022 as a percent *	2.38%

Debt	\$ 4,123,375.00
Bldg. Aid	\$ (919,953.00)
Total	\$ 3,203,422.00

* Estimated levy as of February 11th.



Allowable Tax Levy

Allowable Limit for a simple majority vote is currently estimated at 2.38% (Subject to change based upon final state aid numbers)

This is equal to a **\$1,152,385** increase from 2020/2021

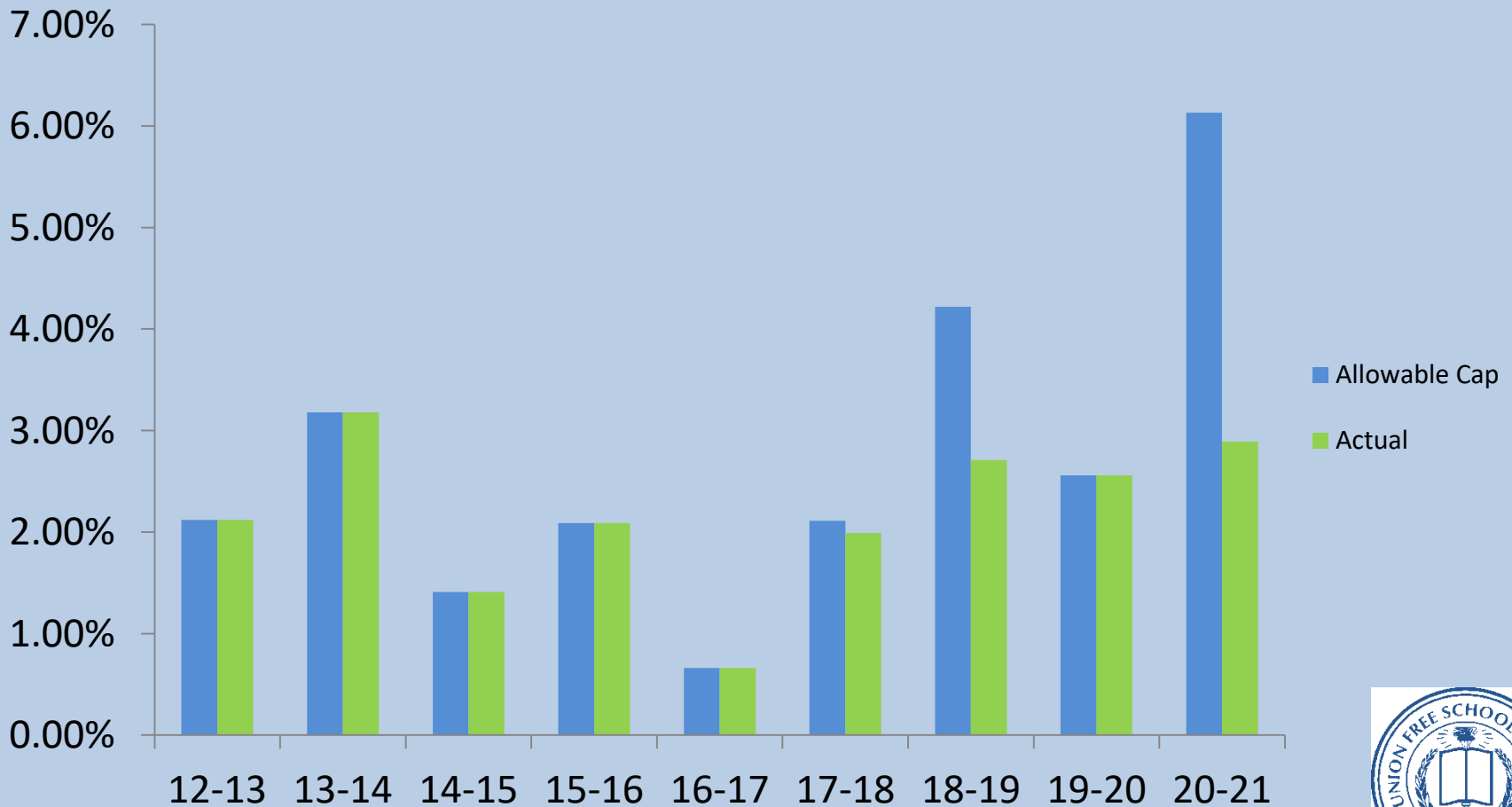


Tax Levy for 2021-2022

- It is recommended that the district maximize revenue when possible.
- The tax levy is set every year. When a district budget is approved below the allowable limit, the base for the following year is set at that lower value, not the allowable limit.
- Misconception of a tax levy limit being 2% for all school districts.
 - All school districts have varying limits based on their own individual calculation.



Tax Levy History Since Tax Cap Implemented



State Aid

- Governor's initial proposal estimates a 7.20% increase (\$885,000) in state aid for Elwood. NY State budget due by April 1st and we anticipate that our state aid numbers will change.
- Budgeting based on what we know now:
 - Rollover of Foundation aid
 - Increase of Building Aid
 - Reduction in services aid (BOCES & transportation)
 - Local adjustment reduction
 - COVID-19 Stimulus monies



Continued work to be done...

- Administration continues to review the budget and adjust as information is received
- Advocate for equitable distribution of aid throughout the region
- Items still for review:
 - BOCES budget
 - Final staffing for 21-22 school year
 - Transportation estimate increase of CPI



-
- Next Presentation will be March 4th
 - Items to discuss include:
 - Program Component
 - Estimated Revenues



